

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1582-01
Bill No.: HB 623
Subject: Public Assistance; Crimes and Punishment
Type: Original
Date: March 6, 2015

Bill Summary: This proposal specifies that no person found guilty of a dangerous felony shall be eligible for temporary assistance for needy families benefits.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Oversight notes in response to similar legislation from the current session (SB 24) for §208.040.5 (7), the Department of Social Services (DSS), Family Support Division stated:

This section states that no person found guilty of a dangerous felony is eligible for temporary assistance benefits. While the person with the felony would no longer be eligible for benefits, children of any parent/caretaker found guilty of a dangerous felony would continue to be eligible to receive temporary assistance. This may result in a reduction of TANF spending on cash assistance, but not a cost savings in TANF or the general revenue maintenance of effort (MOE) funding because all TANF/MOE must be spent on one of the four purposes of the TANF program. Although this may result in a short-term reduction in cash assistance payments, there may not be a long term reduction in these cash payments because, although the adult is not receiving assistance, the family would no longer be subject to the life-time limit. Children can receive cash assistance until they are 18 years of age.

FSD anticipates any reduction in cash grants would be used for another purpose of the TANF program because **all TANF/MOE must be spent on one of the four purposes of the TANF program:**

- 1) To provide assistance to needy families;
- 2) To end dependence of needy parents by promoting job preparation, work and marriage;
- 3) To prevent and reduce out-of-wedlock pregnancies; and
- 4) To encourage the formation and maintenance of two-parent families.

In addition, the Office of Administration (OA), Information Technology Services Division (ITSD) stated this change will be included in the TANF application control flow and based on the actual requirements. It is estimated that 173 contract hours X \$75/hr (**\$12,975**) will be needed to complete this project. ITSD officials have stated that all projects required to implement new legislation will result in the need to hire contractors as ITSD staff are working at maximum capacity.

ASSUMPTION (continued)

Oversight assumes the OA-ITSD could absorb this minimal amount of time and expense within existing resources. However, as this was originally part of a larger proposal, ITSD may incur more expense for this single project than if it is combined with other changes. Therefore, if the time and expense necessary to complete the proposed changes exceed estimates, it may be necessary for OA-ITSD to seek additional funding through the appropriations process.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

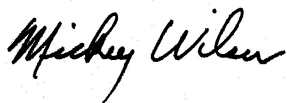
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services -
Family Support Division
Office of Administration -
Information Technology Services Division



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L.R. No. 1582-01
Bill No. HB 623
Page 5 of 5
March 6, 2015

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March 6, 2015

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March 6, 2015